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# *Base Realignment and Closure (BRAC) Cleanup Team Workshop*

## **Understanding Base Reuse** *Community-Based Planning and Redevelopment*

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Office of Economic Adjustment



# Challenge

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## Base Closures

- 97 major base closures and 55 major realignments as result of BRAC 88, 91, 93, 95
- 77 major bases closed or realigned as of October 1997
- 94,269 civilian jobs lost\*
- 44,763 new jobs as of October 1997\*
- Clean up and disposal of over 467,000 acres of Federal property
  - 365,000 acres ready for transfer from DoD

\* Job loss and job creation data for the 74 communities in which OEA is providing financial assistance.

## Local Economic Disruption

- Defense downsizing has adverse community economic impacts
- Economic adjustment focus
  - Diversification of local economic base
  - Local business community
  - DoD and defense contractor workforce



# Defense Economic Adjustment Program

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## Office of Economic Adjustment

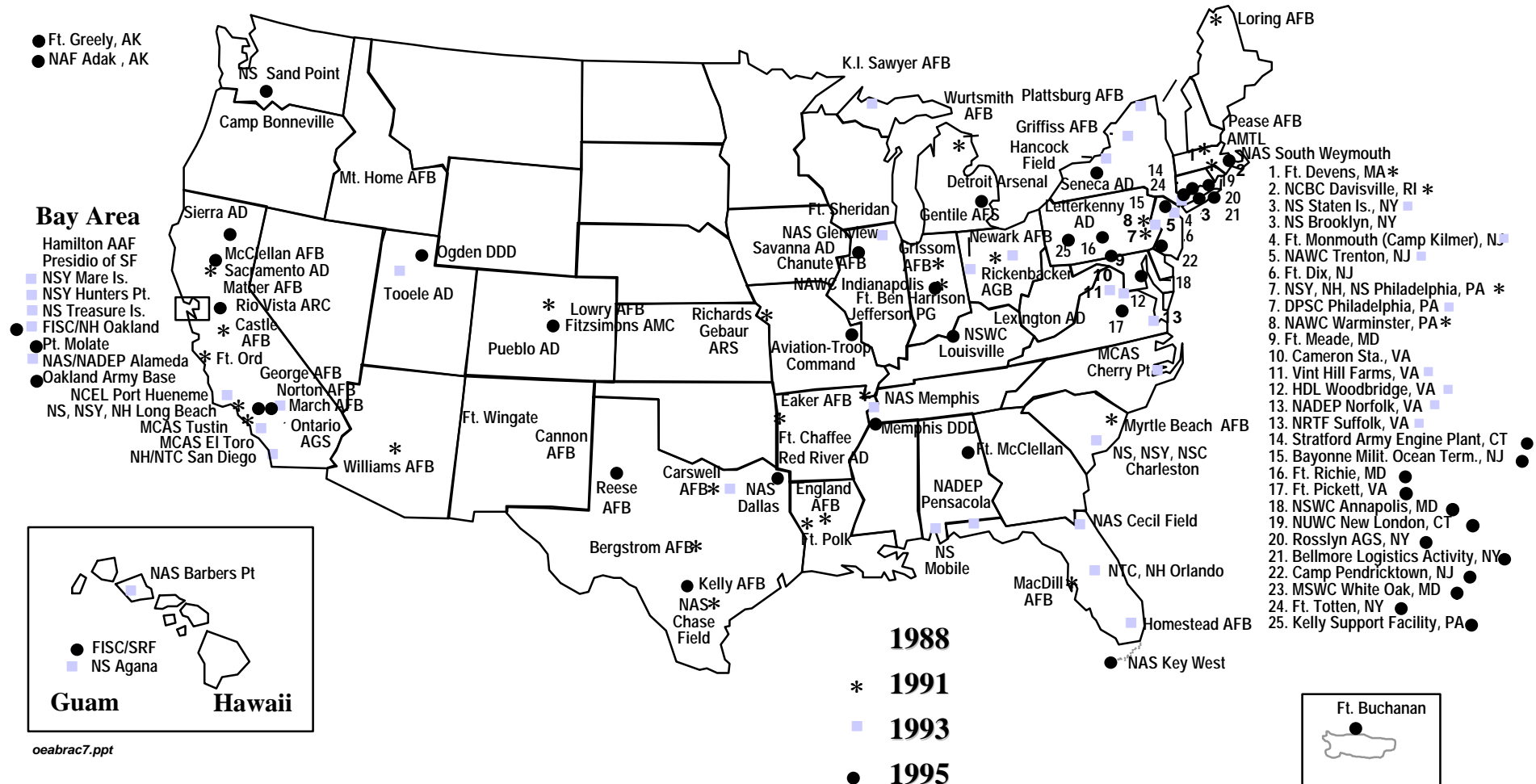
- Created in 1961
- Assisted > 500 defense impacted communities

## Broad Economic Adjustment Portfolio

- Closing and realigning installations
- Expanding installations
- Reductions in defense industry employment
- Encroachment of urban development upon installations



# OEA Base Closure & Realignment Projects





# Program Objectives

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- Create new jobs
- Redevelop former military bases for civilian use
- Ease community transition/minimize period of economic adjustment
- Stabilize and diversify local economic base
- Increase local tax base



# Sources for Assistance

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- Technical and financial assistance
- Close coordination with Military Department and Federal domestic agencies (i.e., DoL, DoC, SBA, EPA, FAA, DoI, HHS, HUD, Justice, DoEd)
- Promote support from state and local government
- Private sector participation



# Economic Adjustment Process

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## **Complex, Community-Based**

- Community organization, planning and implementation
- DoD closure, cleanup, and property disposal

## **Job Creation Focus**

- Primary goal is civilian job replacement
- Property disposal influenced by potential for job creation and public uses

## **Private Sector Driven**

- Promote business development opportunities
- Reinvest in community infrastructure
- Generate personal income, enhance local tax revenues
- Diversify local economic base, products, and services



# Phased Economic Adjustment Process

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- Organize
- Plan
- Implement





# Community Organization – Local Redevelopment Authority (LRA)

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Recognized by the Office of Economic Adjustment  
on behalf of Secretary of Defense.

## Purpose

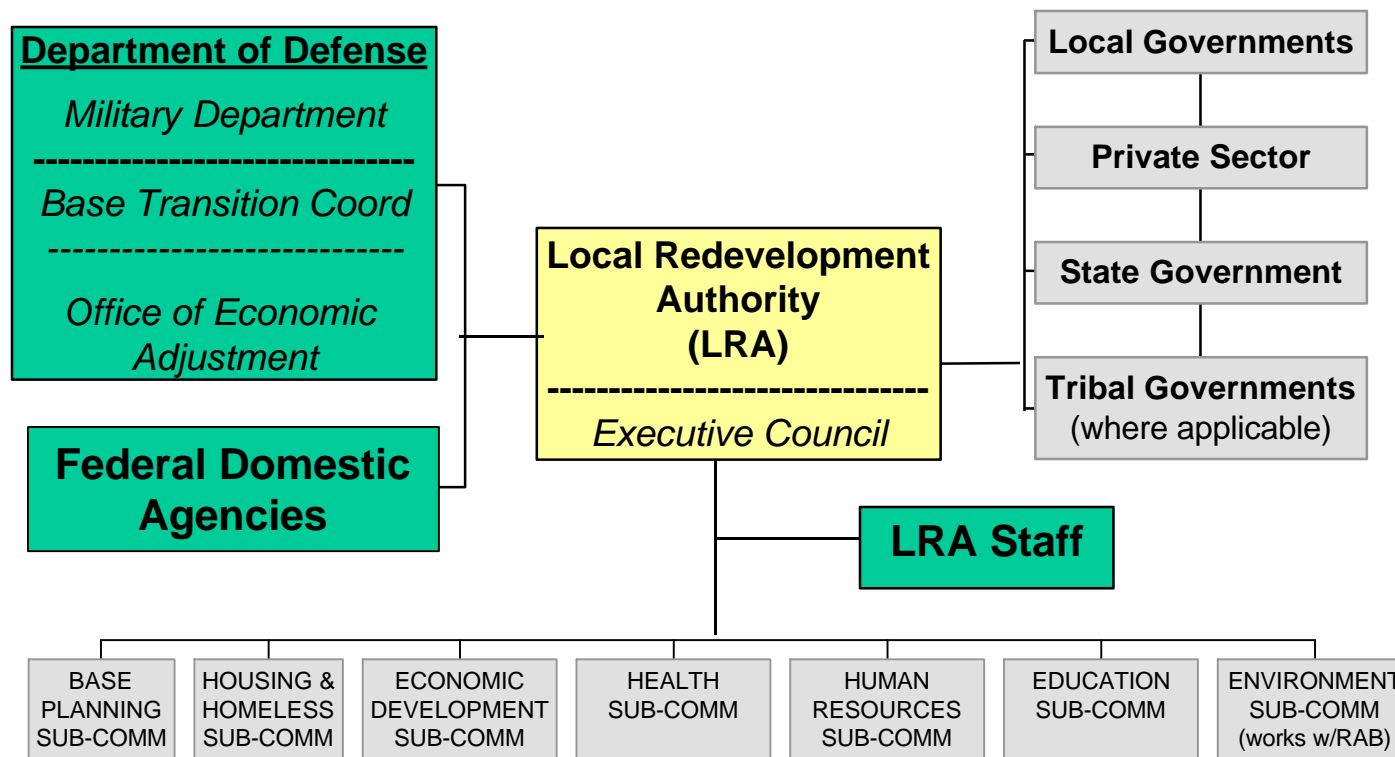
- Single point of contact representing the community
- Vehicle for multi-jurisdictional involvement
- Promote public/private sector leadership
- Broad-based (geographic/demographic) representation
- Manageable numbers
- May change over time
  - Planning LRA
  - Implementation LRA



# LRA Organizational Structure

## SOURCES OF ASSISTANCE

## POTENTIAL MEMBERS



**Note:** This is a conceptual organization. The specific composition of the LRA will be determined by the local situation.



# Community Organization – LRA (Cont.)

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## Responsibilities

- Serve as community forum for issues, concerns and policy guidance
- May develop the community's economic adjustment strategy
- Solicit needs from homeless, state and local interests
- Establish dialogue with BCT to facilitate decision-making
  - proposed future land use designations
  - proposed remediation plan and schedule
- Prepare the redevelopment plan
- Submit the completed plan to DoD and HUD
- May be entity to adopt the redevelopment plan by ordinance or resolution
- Eligible to receive real and personal property via Economic Development Conveyance



# Planning

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**Develop a comprehensive local economic adjustment strategy.**

- **Economic diversification**
- **Base reuse plan**



# Economic Diversification Strategy

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- **Assess strengths, weaknesses, opportunities and threats (SWOT)**
- **Determine regional economic competitive advantage**
- **Identify workforce skills needed to expand/attract business**
- **Integrate dislocated defense workers**



# **Base Reuse Plan – Community Based**

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- **Identify community issues**
- **Set goals**
- **Collect and analyze data**
- **Establish objectives and policies**
- **Consider redevelopment alternatives**
- **Community selects preferred plan**



# **“Use-Based” Strategy**

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## **Community Reuse Vision Focuses On:**

- **Promoting new economic activity**
- **Jobs**
- **Tax revenue**

## **Reuse is Defined by What is:**

- **Market supportable**
- **Physically sociable**
- **Financially viable**
- **Environmentally compatible**
- **Politically feasible**



# Base Reuse Is an Economic Development Project

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**Reuse plan must address real estate, cost and market issues.**

## **Real Estate Issues:**

- **Location**
  - Urban vs. Suburban
  - access
  - adjacent existing and proposed land uses
- **Site characteristics**
  - zoning
  - site dimensions
  - utilities and infrastructure (on and off site)
  - environmental conditions
- **Building characteristics**

## **Cost Issues:**

- Development costs dictate minimum rent levels required to ensure cost recovery
- Rent levels must remain competitive
- Major development costs include upgrade/replacement of infrastructure and building code compliance

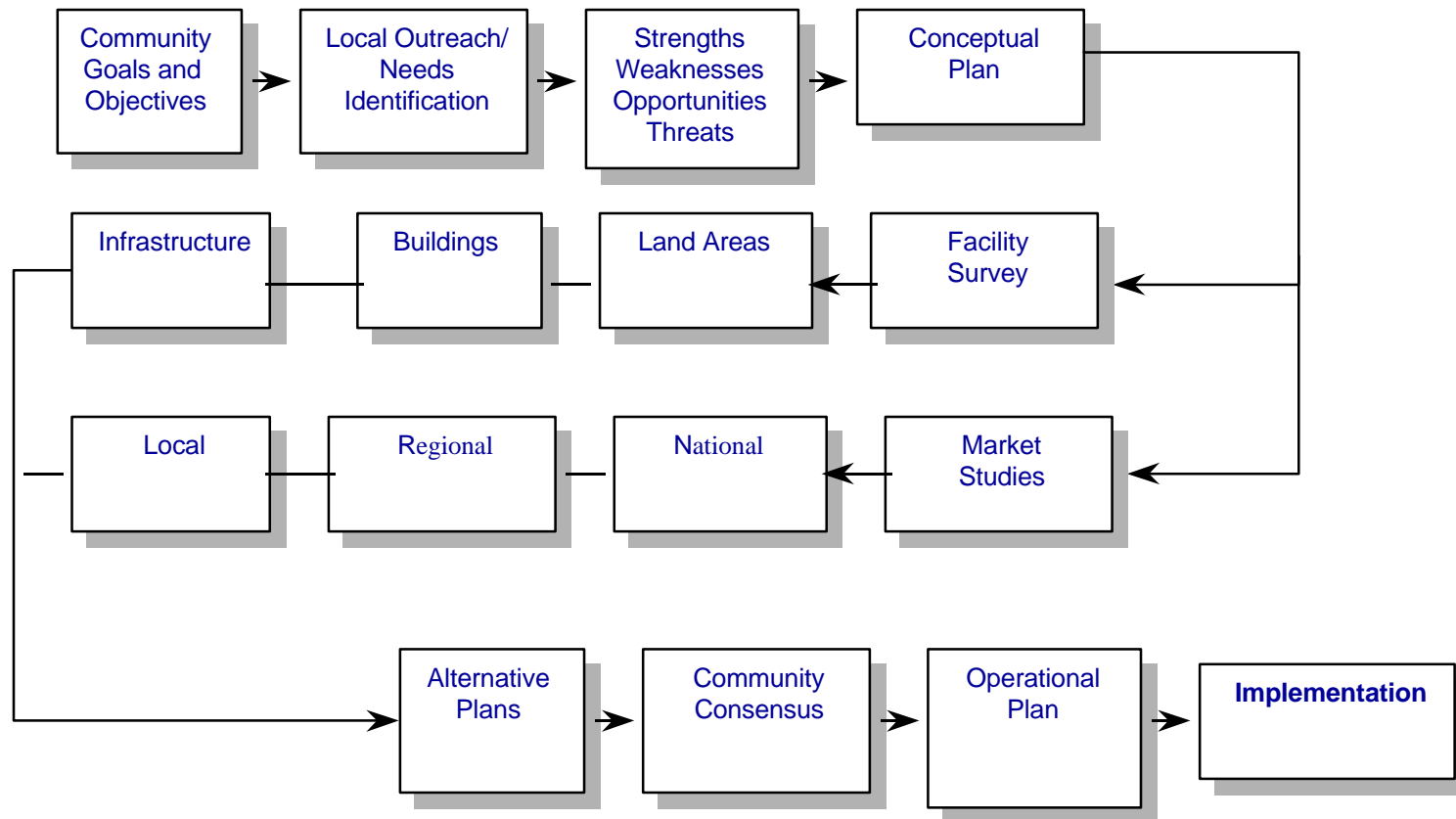
## **Market Issues:**

- Vacancy rates & absorption rates for existing space will strongly influence proposed reuse





# Planning Sequence





# Examples of Property Conveyance Mechanisms

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- **Public bid sale**
- **Negotiated sale**
- **Public benefit conveyance**
- **Economic development conveyance**



# Examples of Property Conveyance Mechanisms (Cont.)

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## Public Airport

- Air cargo facility
- Commercial passenger terminal

## Education

- Primary and secondary schools
- Community college
- State university campus

## Public Health

- Hospital/infirmary
- Health and nutrition education
- Water or sewer utilities
- Sanitary landfill

## Federal-Aid or Public Highways

- Access ramps to interstates
- Widening of state routes

## Port Facility

- Intermodal transportation facility
- Cargo terminal

## Public Park/Recreation

- Public golf courses
- Athletic facilities
- Nature trail
- Park, park expansion, or park access

## Historic Monument

- Museum
- World War II historic park
- Other parks/buildings of historic interest

## Power Transmission Lines

- Electric/gas lines and easements

## Correctional Facility

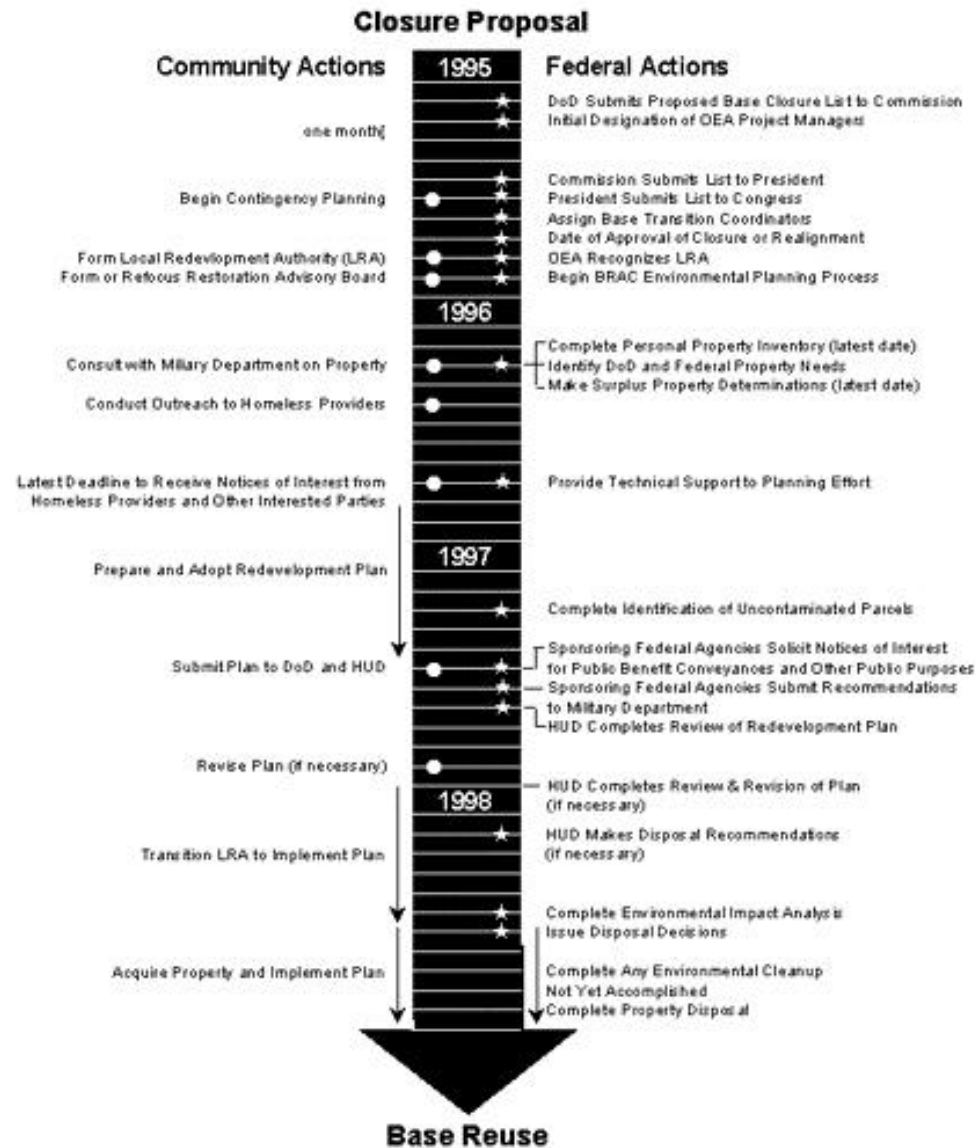
- State prison
- County jail

## Wildlife Conservation

- State-sponsored preserve, sanctuary, refuge, or fishery



# Generalized Reuse Process Timeline





# Implementation

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- **Build necessary linkages, networks, and systems**
- **Secure public and private resources**
- **Infrastructure improvements**
  - **Phasing schedule for facility and site infrastructure improvements**
- **Marketing**
- **Business expansion/creation**
- **Job training/retraining programs**



# New Tools for Base Redevelopment – Legislative Provisions

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## Legislative Provisions

- Economic development conveyances
- Leaseback
- Authority to transfer before remediation

## Policy

- Leasing
  - Longer term interim leases
  - Reaffirmation of long-term leasing authority

## Redevelopment Act Process Modifications

- Clarifies DoD's obligation under NEPA
  - Proposed action must encompass the LRA's plan
  - DoD must give deference to LRA's plan in making disposal decisions



# Keys to Success

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- **Proper organization**
- **Leadership commitment**
  - Public and private sector
  - Shared local, state and Federal Support
- **Comprehensive strategy**
  - Develop community vision
  - Short and long range plans
  - Focus on job creation and economic stability
- **Consensus**
  - Community wide focus
- **Integrate with ongoing economic development structure**
- **Realistic marketing**
  - Market driven actions
- **Early and continued dialogue with military department and BCT**